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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/540,035	03/31/2000	Jay S Walker	99-063	2466
22927	7590	06/15/2004	EXAMINER	
WALKER DIGITAL FIVE HIGH RIDGE PARK STAMFORD, CT 06905			POINVIL, FRANTZY	
			ART UNIT	PAPER NUMBER
			3628	

DATE MAILED: 06/15/2004

Please find below and/or attached an Office communication concerning this application or proceeding.

# Office Action Summary

Application No.

09/540,035

Applicant(s)

WALKER ET AL.

Examiner

Frantzy Poinvil

Art Unit

3628

NW

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

## Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

## Status

- 1) ☒ Responsive to communication(s) filed on 24 March 2004.
- 2a) ☒ This action is **FINAL**. 2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

## Disposition of Claims

- 4) ☒ Claim(s) 1-45 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-4 and 7-45 is/are rejected.
- 7) ☒ Claim(s) 5 and 6 is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

## Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

## Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some \* c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
  - ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

## Attachment(s)

- ☐ Notice of References Cited (PTO-892)
- ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- ☒ Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)  
Paper No(s)/Mail Date 8, 9.
- ☐ Interview Summary (PTO-413)  
Paper No(s)/Mail Date. \_\_\_\_\_.
- ☐ Notice of Informal Patent Application (PTO-152)
- ☐ Other: \_\_\_\_\_.

### DETAILED ACTION

1. Applicant's arguments filed 3/24/2004 have been fully considered but they are not persuasive.

#### **Response to the Arguments:**

2. Applicant's representative argues that the prior art does not teach or suggest "wherein the sale price of the selected product is

a first price if the product description is a first product description and  
a second price if the product description is a second product description".

In response, Tagawa clearly teaches this feature because Tagawa teaches having a multitude of products with different prices or different pricing options. See column 14, lines 35-63 and column 6, lines 28-44.

Applicant's representative states argues that Tagawa teaches providing the user with available choices then argues that providing the user with available choices is not the same the same thing as "determining a measure of flexibility".

In response, a flexible system is a system where the purchaser has a plurality of alternative choices as taught by Tagawa.

Applicant's representative then argues that the motivation proposed by the Examiner to combine Tagawa with Day is not found in the Day reference.

In response to applicant's argument that there is no suggestion to combine the references, the examiner recognizes that obviousness can only be established by combining or modifying the teachings of the prior art to produce the claimed invention where there is some teaching, suggestion, or motivation to do so found either in the references themselves or in the knowledge generally available to one of ordinary skill in the art. See *In re Fine*, 837 F.2d 1071, 5 USPQ2d 1596 (Fed. Cir. 1988) and *In re Jones*, 958 F.2d 347, 21 USPQ2d 1941 (Fed. Cir. 1992). In this case, Day et al teach providing discounts to customers when purchasing a good/service. Using the same principle in Tagawa would have been obvious to one of ordinary skill in the art in order to motivate a user to use the reservation system of Tagawa.

Applicant's representative then argues that the Examiner has not addressed feature of claim 8 reciting "determining a discount amount for each condition value in the product description and summing the determined discount amounts".

In response, Day discloses determining a discount amount for a given product. See column 4 of Day et al. If a plurality of discounts is presented to the customer, then summing the determined discount amounts would have been done in order to determine a total discount amount to present to a customer. Thus, introducing this feature in Tagawa would have been obvious to one of ordinary skill in the art in order to obtain a total discount value to present to a customer.

As per claim 9, see the abstract of Day et al.

As per claims 13 and 16, condition values ranked in order of customer preference is taught on columns 5 and 6 of Day et al.

Applicant then argues that the prior art fails to teach or suggest features of claim 17.

In response, applicant is directed to the rejection of claim 1 and the argument presented in claim 1 above.

As per claim 24, applicant is directed to columns 6 and 7 of Day et al.

As per claim 28, Tagawa teaches after receiving the agreement, selecting a flight on which the airline ticket will allow the customer to travel because the customer intends to travel on the date indicated on the airline ticket.

### **The 35 USC 101 Response to Arguments:**

3. Claims 1-28 remain rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter, particularly an abstract idea.

Applicant argues that the 35 USC 101 is improper.

In response, the Examiner respectfully disagrees with applicant's assertion. Applicant's assertion is in contradiction with current mandate and reliance on recent court decisions. The instant claims 1-28 lack a practical application in the technological arts. The claims as recited fail to include the guidelines established by the Federal Circuit in the State Street Bank decision in which it was established that a statutory claim must recite a practical application in the

technological arts. Further support by the Examiner is found in *In re Toma* where it is sated “ 'technological arts' or 'useful' arts inquiry must focus on whether claimed subject matter, for example, method operating machine to translate, is statutory, not on whether product of claimed subject matter, for example, translated text, is statutory, not on whether prior art that claimed subject matter purports to replace, for example, translation by human mind, is statutory, and not on whether claimed subject matter is presently perceived to be improvement over prior art, for example whether it 'enhances' operation of machine; this was the law prior to *Gottschalk v. Benson*, 175 USPQ 673, and was not changed by *Benson*.” (emphasis added) 197 USPQ 852, 853 (CCPA 1978). In *In re Musgrave*, 167 USPQ 280 (CCPA 1970), it was held that ...all that is necessary to make a sequence of operational steps a statutory 'process' within 35 USC 101 is that it built in the technological arts so as to be in consonance with Constitutional purpose to promote progress of 'useful arts'...” (emphasis added).

In the instant claims, the claims do not appear to correspond to a specific machine or manufacture disclosed within the instant specification and thus encompass any product of the class configured in any manner to perform the underlying process. The claimed invention further does not include any transformation and thus no practical application in the technological arts exists.

Consequently, the claims remain to be analyzed based upon the underlying process, and are remain to be rejected as being directed to a non-statutory subject matter.

***Claim Rejections - 35 USC § 102***

1. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of application for patent in the United States.

Claims 1-4, 17-22 and 25-45 are rejected under 35 U.S.C. 102(b) as being anticipated by Tagawa (US Patent No. 5,732,398).

As per claims 1 and 2, 17-22 and 25-45, Tagawa discloses a self-service system for selling travel-related service or products. Note the abstract. The system comprises a user providing a description related to a product desired to purchase. Note the abstract. The system searches the database to determine what is available. The user is provided with a list of available choices with related prices. The user may desire to provide alternate options and a new list is presented to the user. The list contains sales prices of the selected product with different options thus meeting the limitations of “wherein the sale price for a selected product is a first price if the product description is a first product description and a second price if the product description is a second product description”. It is noted that the user or customer is not guaranteed what specific product will be purchased before an agreement to purchase a product for the sale price is received from the customer.

As per claim 3, the plurality of displayed products with various options are similar to the claimed “identifying a plurality of products conforming to the product description”. Each product description has a related sales price.

As pr claim 4, determining a measure of flexibility based on the product description is similar to determining and making one of a plurality of available choices by the user wherein the choices each has a related sales price.

***Claim Rejections - 35 USC § 103***

2. Claims 7-16 and 23-24 are rejected under 35 U.S.C. 103(a) as being unpatentable over Tagawa (US Patent 5,732,398) as applied to claims 1 above, and further in view of Day et al (5,857,175).

As per claims 7-16, Tagawa does not explicitly teach calculating a discount amount based on the product description and determining the sale price based on the discount amount. Day et al disclose an electronic shopping system that provides discounts to customers. Applicant is directed to the abstract of Day et al. It would have been obvious to one of ordinary skill in the art at the time the invention was made to incorporate the teachings of Day et al into Tagawa in order to provide discounts to a customer buying a particular product. The motivation would have been to maintain customer loyalty and at the same time encouraging customers to purchase more goods/services. Day et al also discloses determining a customer's history and purchase activity.

As per claims 23-24, Day et al disclose transmitting coupons or incentives to the customers. The coupons include an identifier therein.

***Claim Rejections - 35 USC § 101***

3. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.



Claims 1-28 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.

The basis of this rejection is set forth in a two prong test of:

- (1) whether the invention is within the technological arts; and
- (2) whether the invention produces a useful, concrete and tangible result.

For a claimed invention to be statutory, the claimed invention must be within the technological arts. Mere ideas in the abstract (i.e., abstract idea, law of nature, natural phenomena) that do not apply, involve, use or advance the technological arts fail to promote the “progress of science and the useful arts” (i.e., the physical sciences as opposed to social sciences, for example) are found to be non-statutory subject matter. For a process claim to pass muster, the recited process must somehow apply, involve, use, or advance the technological arts. In the present case, claims 1-28 do not recite any structure or functionality to suggest that a computer performs the recited claims. Thus, claims 1-28 are rejected as being directed to non-statutory subject matter.

4. The prior art taken alone or in combination failed to teach or suggest a step of summon determined flexibility points for each condition in the product description as recited in claim 5.

Claims 5-6 are objected to as being dependent upon a rejected base claim, but would be allowable if rewritten in independent form including all of the limitations of the base claim and any intervening claims.

5. **THIS ACTION IS MADE FINAL.** Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire **THREE MONTHS** from the mailing date of this action. In the event a first reply is filed within **TWO MONTHS** of the mailing date of this final action and the advisory action is not

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mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the mailing date of this final action.

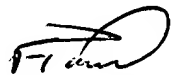
### ***Conclusion***

6. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Frantzy Poinvil whose telephone number is (703) 305-9779. The examiner can normally be reached on Monday-Thursday 7:00AM-5:30PM.

The fax phone number for the organization where this application or proceeding is assigned is (703) 872-9326 Before Final actions and (703) 872-9327 After Final actions..

Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the receptionist whose telephone number is (703) 308-1113.

FP  
June 14, 2004

  
FRANTZY POINVIL  
PRIMARY EXAMINER  
*Ad 3628*